

DEC 15 1989

U.S.S. Lead Refinery
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David A. Ullrich
Associate Director, Office of RCRA
Waste Management Division

ORIGINAL SIGNED BY
DAVID A. ULLRICH

Norman R. Niedergang
Acting Associate Division Director, Office of CERCLA
Waste Management Division

U.S.S. Lead Refinery (U.S.S. Lead) was a secondary lead smelting facility which is located in East Chicago, Indiana. It is currently the number one corrective action candidate on the Environmental Priorities Initiative (EPI) list (Attachment 1).

The facility has been inactive since December 12, 1985, while lead-containing waste piles; wetland areas filled in with hazardous waste (a landfill which never had interim status); and lead-contaminated soils, surface waters, and sediments remain there, constituting a continuing release of hazardous waste constituents. IDEN sampling results indicate that the slag or soil contaminant levels exceed average levels in eastern soils by the following multipliers: arsenic, 2 to 400; cadmium, 2 to 500; lead, 7 to 26,000 (average: 3,300); and mercury, 2 to 20 (Attachment 2).

Although the company itself has not declared bankruptcy, both of its parent corporations filed for bankruptcy under Chapter 11 of the National Bankruptcy Act on April 17, 1987. Indiana Department of Environmental Management (IDEM) inspection reports indicate that the company did not provide for any of the financial assurance mechanisms required by RCRA.

Sharon Steel, U.S.S. Lead's immediate parent corporation, has recently offered to loan funds to U.S.S. Lead for a site assessment consisting of waste and soil sampling. These efforts would occur pursuant to partial settlement of an amended complaint issued by the IDEM on May 6, 1987 (Cause No. M-296, Attachment 3). The settlement would be only partial as the IDEM is seeking site remediation, but facility representatives have stated that U.S.S. Lead is "unable to commit" to the unknown costs of performing a site cleanup at this time. Recent hearing dates for Cause No. M-296 were scheduled for March 13, 1989, and December 11, 1989, but have been postponed.

Because of the circumstances outlined above, I am requesting that this facility be considered for CERCLA action. Release of hazardous constituents may be resulting in significant environmental damage and the company has shown unwillingness to comply with terms of a State unilateral administrative order requiring the equivalent of corrective action.

Some additional details on owner/operator and site

The parent company, Sharon Steel Corporation, is a subsidiary of INVF Company. At the time of filing, the bankruptcy petition listed liabilities of approximately \$700 million and total assets of about \$400 million, according to reports dated May 12, 1988, by Dun and Bradstreet, Inc. (Attachment 4). A Dun and Bradstreet Report on U.S.S. Lead, issued on August 1, 1988, indicates that the company has incurred an unknown amount of debt.

The waste piles consist of K069 flue dust, which is stored in a warehouse on-site, and D008/D002 calcium sulfate sludge, which sits outside on a concrete pad. The floor of the warehouse cannot be inspected and the building is apparently unsecured and has been vandalized. An unknown amount of crushed battery casings and rubber chips are also present, though not as discernible piles. Other waste piles without interim status are present. On-site landfill disposal of slag and battery parts presents a highly significant additional source of leaching metals to ground and surface waters.

If you have any questions, please contact Eileen Helmer of my staff at 6-4460.

cc: Jeanne Griffin, SHS

5HR-12:EHelmer:eh:6-4460:2/23/89